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Microsoft Settlement Puts Up to \$4.7 Million in Vermont Schools

MONTPELIER – As a result of the settlement of an antitrust lawsuit brought by Vermont consumers against the Microsoft Corporation, distribution will begin this week of approximately \$4.7 million dollars for educational technology to 135 Vermont public schools, Attorney General William H. Sorrell and Education Commissioner Richard H. Cate announced today.

Commissioner Cate and Attorney General Sorrell together have sent letters to superintendents of eligible schools notifying them which schools qualify for use of settlement funds. The settlement agreement approved by the court provided for distribution of vouchers to qualifying consumers for use in purchasing certain hardware and software. Those vouchers have already been distributed. Pursuant to the settlement, the vouchers now being distributed to schools may be used to reimburse qualifying technology-related expenses that may be incurred and submitted through the middle of 2009.

In coming weeks, eligible schools will receive detailed information regarding the amounts available to them and the process for reimbursement. School eligibility under the agreement and order is based on a formula related to the percentage of students that qualify for the federal free or reduced school lunch programs.

The settlement resolved a class action case brought against Microsoft by private counsel in Vermont Superior Court in Wyndham County on behalf of Vermont consumers in 2001 and was first negotiated by those attorneys and Microsoft and submitted in preliminary form to the trial court in 2004. The claims in the case mirrored those made in similar lawsuits in other states and included allegations that Microsoft had illegally attempted to maintain or leverage its near monopoly in the market for personal computer operating systems, harming competition.

The case was dismissed by the court in 2002 but later revived by the Vermont Supreme Court after the Attorney General's Office, along with counsel for the consumer class, successfully argued that the trial court's dismissal was based on an incorrect legal conclusion that consumers' standing to bring their claims required that they have purchased directly from Microsoft.

Under the settlement, the court has designated a private settlement administrator, at Microsoft's expense, to distribute reimbursement vouchers to school districts and supervisory unions that have been approved by the Vermont Department of Education. The vouchers may be used to purchase certain computer software and hardware products, and related services, which need not be from Microsoft.

For more information about distribution of settlement proceeds, schools and superintendents can contact Bill Romond, Educational Technology Coordinator for the Vermont Department of Education at (802) 828-0064.

More information, including a list of eligible schools, can also be found at http://www.state.vt.us/educ/new/html/pgm_edtech/cy_pres_program.html and <https://www.microsoftproductssettlement.com/vermont/home.htm>.